

MEDIA RELEASE



**Attention: News Director
For Immediate Release
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**U.S. DEPARTMENT OF JUSTICE
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Western District of Kentucky**

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LOUISVILLE CON MAN SENTENCED IN WIRE FRAUD SCHEME

- CFO embezzled over three quarters of a million dollars from employer

David L. Huber, United States Attorney for the Western District of Kentucky, announced today that **STEPHEN J. GEIGER**, age 43, of 5806 Teakwood Lane, in Jefferson County, Kentucky, **was sentenced** to 2 years and 6 months in prison in United States District Court, Louisville, Kentucky, for wire fraud. Thomas B. Russell, Judge, United States District Court, also sentenced **Geiger** to 3 years supervised release following incarceration. **There is no parole in the federal judicial system.** In addition, **Geiger** was ordered to pay court costs of \$100.00, and restitution in the amount of \$776,781.04 to the victim of the fraud, The Kenmark Group.

Geiger had pled guilty to one count of wire fraud committed while he was the Chief Financial Officer of The Kenmark Group, a local company which makes and distributes brand name eyeglass frames. As CFO, **Geiger** was responsible for overseeing all the company's accounting functions. Beginning in April 2003, **Geiger** began creating fictitious invoices that inflated the amount of royalty owed by Kenmark to companies for the use of their brand name on eyeglasses distributed by Kenmark. **Geiger** would submit the inflated invoice causing Kenmark to pay the correct amount of royalty owed to the outside vendor, and would divert the overage to a bank account **Geiger** had set up at BB&T Bank. Between 2003 and May 2006, **Geiger** caused at least

155 wire transfers to be routed from Kenmark Optical's operating account at National City Bank into **Geiger's** personal checking account at BB&T. The total amount **Geiger** diverted from his employer was \$776,781.04. The fraud was discovered when **Geiger's** bank reported an unusual volume of activity through his account after **Geiger** made nearly \$120,000 in cash withdrawals from his checking account over a three month period in the last quarter of 2005. The investigation revealed **Geiger** lost most of the embezzled funds gambling on horse races.

The case was prosecuted by Assistant United States Attorney Marisa J. Ford and was investigated by the Federal Bureau of Investigation.

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